

INFORMATION REPORT INFORMATION REPORT

CENTRAL INTELLIGENCE AGENCY

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COUNTRY Panama

REPORT NO. [REDACTED]

SUBJECT Panamanian Political Situation

DATE DISTR. 31 August 1955

NO. OF PAGES 3

DATE OF INFO. 7 - 27 July 1955

REQUIREMENT NO. [REDACTED]

(b) (1)

PLACE ACQUIRED [REDACTED]

REFERENCES [REDACTED]

(b) (3)

(C)

DATE ACQUIRED [REDACTED]

SOURCE EVALUATIONS ARE DEFINITIVE. APPRAISAL OF CONTENT IS TENTATIVE.

SOURCE:

1. There have been indications that Alejandro "Toto" REMON, Minister of Government and Justice, will take action before the next elections to insure his position in the Panamanian Government. REMON realizes that if the Coalicion Patriotica Nacional (CPN, National Patriotic Coalition) presidential slate is victorious he will probably be removed from the political scene. Since Enrique OBARRIO, who was REMON's choice for presidential candidate, was removed from the race as the result of an arrangement which Juan Euribiades "Baby" JIMENEZ made with President Ricardo ARIAS Espinosa and the REMONS, "Toto" REMON is planning to take some action to insure his position or to obtain a better position. There are rumors that REMON is trying to remove President ARIAS by effecting a coup d'etat.¹ It is believed that if a junta were established it would consist of REMON, Saturnino FLORES, Second Commandant of the Guardia Nacional (GN), and Harmodio ARIAS, prominent Panamanian politician.² Since ARIAS and REMON are associates in the shrimp industry in Panama the two are very close friends, and REMON could easily be maneuvered by a crafty politician like ARIAS. It is probable that FLORES would support REMON in view of FLORES' loyalty to former President Jose Antonio REMON.³ There is no possibility that Col. Bolivar VALLARINO, First Commandant of the GN, would support REMON, because VALLARINO is the brother-in-law of Temistocles "Temi" DIAZ.

2. REMON has been trying to persuade Col. Bolivar VALLARINO to accept a diplomatic assignment. It is believed that REMON wants to replace VALLARINO with FLORES as head of the GN.

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- ☐ 3. Since Harmodio ARIAS is advising REMON and since Octavio FABREGA, Minister of Foreign Relations, is ARIAS' partner in a very profitable law practice, these three men, along with Alfredo "Mayor" ALEMAN, Minister of Treasury and Finance, are the most powerful persons in Panama. It was this group which put Eligio CRESPO in as Minister of Agriculture, Commerce, and Industry, and this group directs all of CRESPO's actions in this position.
- ☐ 4. The Panamanian situation is highly uncertain because the present administration is weak, and the forthcoming administration holds no promise of being strong. Ernesto DE LA GUARDIA, Jr., CPN candidate for President, is incapable of making decisions and can be very easily influenced by anyone close to him. While President ARIAS will possibly be DE LA GUARDIA's advisor, ARIAS himself is not a strong or decisive person.
- ☐ 5. "Baby" JIMENEZ has decided to run for Deputy to the National Assembly from Panama City in the coming elections. He met with Ismael "Cucho" VALLARINO, brother of Col. Bolivar VALLARINO, and Max HEURTEMATTE, former Panamanian Ambassador to France, to discuss the campaign to obtain a seat in the National Assembly. JIMENEZ said that he wanted this position so that he would be able to watch the Panamanian situation more closely.
- ☐ 6. JIMENEZ also said that once before he had tried to run for Deputy to the National Assembly but because of an irregularity in the counting of votes he did not obtain the position. He added that this would not happen again. While JIMENEZ admitted that he had many enemies in Panama he said that he would campaign on the basis that he was very friendly toward the United States. JIMENEZ and "Cucho" VALLARINO have opened a campaign headquarters in Santa Ana Plaza.
- ☐ 7. Max HEURTEMATTE believes that JIMENEZ is interested in introducing legislation into the Assembly which will be beneficial to a new textile factory which JIMENEZ is planning to build in partnership with Adalbert FASTLICH, a leading businessman in Panama.
- ☐ 8. On ☐ July Cecilia Pinel de REMON said that she believes that there is a group in Panama which was responsible for her husband's death and that this group is still at large. However, after the ratification of the Panama - U. S. Treaty the group will start grabbing any benefits it can, and if someone does not get his fair share perhaps he will start talking and incriminate others. Cecilia REMON does not believe that Jose Ramon GUIZADO, who was sentenced for complicity in the assassination, is guilty of anything more than knowledge of the plot.
- ☐ 9. Cecilia REMON and "Toto" REMON are not too friendly; however, when their interests are mutual they combine forces.
- ☐ 10. There may be trouble within the GN. There still has been no expression of approval from the GN on the CPN candidates for office. Col. Bolivar VALLARINO is not powerful enough to keep order if Saturnino FLORES and Timoteo MELENDEZ, Third Commandant of the GN, join forces against him.
- ☐ 11. On ☐ July 1955 ☐ said that there was a near coup on the evening of 18 July 1955 and that all the firemen of the Compania Fuerza y Luz had their leaves cancelled and were kept on call. ☐ also said that REMON is not satisfied with the nomination of DE LA GUARDIA for the Presidency. He wants Harmodio ARIAS to hold that office. ☐ also said that Saturnino FLORES is backing REMON in this idea because of his indebtedness to the REMON family.
- ☐ 12. There have been indications that local politicians have been maneuvering for positions. "Cucho" VALLARINO and Max HEURTEMATTE, who are cousins, have joined forces with Alfredo "Baby" ALEMAN and "Temi" DIAZ, thus possibly leading to a split within the CPN. JIMENEZ has said that if plans are completed he, along with "Cucho" VALLARINO, Max HEURTEMATTE, and "Baby" ALEMAN, will be able to control the Assembly.

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- ☐ 13. It appears that JIMENEZ is aligning himself with the group of deputies which include "Baby" ALEMAN so that JIMENEZ can keep an eye of them. During the week of ☐ July JIMENEZ held daily meetings with groups of politicians.
- ☐ 14. "Cucho" VALLARINO would like to obtain the position of Mayor of Panama, but he will probably have to wait until a later date.
- ☐ 15. A possible successor to Octavio FABREGA, who has announced that he will resign, may be Ignacio MOLINO, former Minister of Foreign Relations, although MOLINO has said that he does not want to leave his law practice. Max HEURTEMATTE is attempting to obtain a Cabinet post.

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